

**SPECIAL BUDGET MEETING – November 2, 2015**

A Special meeting of the Board of Fire Commissioners of Fire District No. 2, Township of Hanover, was called to order by Chairman Barz at 7:00 pm on the above date at the Whippany Firehouse at 440 Route 10, Whippany, New Jersey.

Commissioners Present: Michael Mihalko, Ronald Barz, Julie Mihalko, Randy Polo & Derrick Shearer

ABSENT: None

Also at this meeting were Chief Joe Cortright and Vince Montanino, of VM Associates, Registered Municipal Accountant. His expertise as an accountant will be very helpful in aiding the Commissioners in reviewing the 2015 budget and setting up the preliminary 2016 budget.

At this time the Chairman read the following:

Pursuant to statute made and provided, let the minutes show that notice of this meeting was transmitted to the following newspaper; the Daily Record, and filed with the Clerk of the Township of Hanover and the Clerk of this board at least 48 hours prior to the call to order of this meeting.

The Chairman now stated that the purpose of this meeting was to review the present budget and set up the 2016 budget.

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The 2015 Budget was discussed and gone over. There were no transfers to be made, at this time.

Discussion took place about what number the tax rate will be – taking into consideration the 2% cap.

Also discussed was a rental agreement with the Fire Company.

The Chief submitted his budget requests also.

**TOP PORTION OF BUDGET:**

The Commissioner stipends will stay the same.

The Fire Official line will go to \$78,520.00 – a 3% increase.

The Fire Inspectors line will go up 3% to \$259,920.

Overtime will stay at \$30,000

Assistant will stay at \$12,200

This makes the Top portion of the budget - \$392,440.00

**BOTTOM PORTION OF THE BUDGET:**

Employee Benefits – Stays the same at \$220,000 **per Vince: 230,000**

Purchase of assets – Will go to \$120,000 to accommodate the purchase of a generator at the new building and also some of the Chief's requests. **Per Vince: 116,000**

Other Rentals – Increase to \$96,000 / \$8,000 per month

Insurance Premiums – stays at \$112,000

Joint Purchase Agreements – stays at \$5,000

Professional Services – Will go down to \$15,000

Other Outside Services – Stays at \$25,000. We will move the County Dispatch services under that.

Advertising stays at \$1,000

Promotion stays at \$9,000

Elections goes down to \$2000

Travel expenses stays at \$500

Membership Dues stays at \$5,000

Training & Education stays at \$20,000

Reimbursement for expenses stays at \$30,000

Uniforms and personal equipment stays at \$5,000

Operating Materials & Supplies stays at \$85,000.00 **Per Vince: 75,000**

Utilities goes to \$35,000

Office Supplies stays at \$10,000

Maintenance & Repairs increases to \$45,000

Uniform Fire Safety Act – Stays at \$35,100

LOSAP – Same

This brings the budget to \$1,213,040.00. **Per Vince: 1,414,040**

It is up \$40,000 – roughly 3%

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In 2013, we had \$16,000 we didn't use as a cap levy.

In 2014 , it was \$107,000

Vince said: We balance the surplus, the tax levy and the needs of the district in order to get the right budget.

The Hanover Township website put the tax rate at .044 – total tax rate was \$1.70.

Vince explained the Reserve for Future Outlays line.

Vince said we have \$208,000 and \$100,000 toward future purchases. Plus \$57,000 leftover from the last apparatus we purchased. So we have roughly \$365,000 towards a new truck.

To buy a truck, we have to get permission from the public the year before we want to use funds. We would need a special election in December 2016 with a question on the ballot to allow funds to become available. Then we can put it into the next year's budget.

We would spec it out in 2017 and actually get it in 2018.

Trucks cost around \$500,000. Montville just ordered one that was over \$600k. They did a lease/purchase.

The generator for the new building would be considered a non-bondable asset. If we add the generator cost, it will bring increase the tax rate from .044 to .046. The Generator will go Purchase of Assets.

## BUDGET SCHEDULE

November 9<sup>th</sup> meeting – Introduce the budget – approve the first time. Then submit to state.

December 14<sup>th</sup> meeting – 2<sup>nd</sup> reading of the budget – public hearing and vote. Then we can adopt it.

Third Saturday in February – Public votes on it.

Where do we want the tax rate? Vince will add from the surplus however much we need to get that number.

Agreed that we should go to .046 this year. Vince will let us know the actual numbers after the town comes out with the ratables.

At this time, Vince left the meeting.

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A discussion took place about how much and what we are giving the Fire Company. What is our obligation?

Opinions were expressed that they will keep asking for things if we don't set a finite limit. An opinion was that they have backed us into a corner as far as helping them.

We expected to have to help them, but they are asking for a lot.

After a discussion, it was decided that we would pay for the oil separator in this year's budget.

Then, we will give them a flat \$70,000 – which they can put toward the generator or something else that is vital for the Commissioner's use.

And it was determined that that was it.

Mike brought up carpet, phones, paint, etc... that we may have to discuss further down the road. If we were renting a building from anywhere else, we would still have to have these things and pay for them.

When it comes time for Phase 2: we can get quotes on all these things and maybe get better prices, and discuss it then.

Chief's requests – we can do some of them in this year's budget. We will go over the rest at Monday's Commissioners' meeting.

Comm. J. Mihalko made a motion to adjourn the meeting. Comm. M. Mihalko seconded the motion and the meeting was adjourned at 9:28.

Respectfully submitted:

Janet Gant-Hammond

Board Secretary